

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF PEAKS MILL WATER)	
DISTRICT OF FRANKLIN COUNTY, KENTUCKY,)	
FOR A CERTIFICATE OF PUBLIC CONVENIENCE)	CASE NO.
AND NECESSITY TO CONSTRUCT, FINANCE)	96-091
AND INCREASE RATES PURSUANT TO THE)	
PROVISIONS OF KRS 278.023)	

O R D E R

On April 3, 1996, the Commission issued its Order in this case granting Peaks Mill Water District ("Peaks Mill") a Certificate of Public Convenience and Necessity to construct a \$1,258,000 water works improvement project, for approval of financing the project, and for an adjustment in its water rates. The application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water utilities and the Rural Economic and Community Development Service ("RD").

On June 16, 1997, Peaks Mill filed a Motion to Amend Order which included a copy of an amended letter of conditions from RD dated March 19, 1997. In its Motion, Peaks Mill states that it has experienced certain circumstances which has caused it to reconsider its current rate structure including an increase in power cost and certain wholesale rate increases.

The Commission, having reviewed Peaks Mill's Motion and the attachments thereto, finds that the rates set forth in Appendix A to its April 3, 1996 Order should be revised to include the new federally-approved rates.

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO 96-091 DATED July 28, 1997.

The following rates and charges are prescribed for the customers in the area served by Peaks Mill Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior the to the effective date of this Order.

Monthly Rates:

5/8 Inch - 1 Inch Meter

First	2,000 Gallons	\$15.00 Minimum Bill
Next	1,000 Gallons	4.01 per 1,000 Gallons
Next	2,000 Gallons	3.41 per 1,000 Gallons
Over	5,000 Gallons	2.21 per 1,000 Gallons

1 1/2 - 2 Inch Meter


First	113,000 Gallons	\$185.52 Minimum Bill
Over	113,000 Gallons	1.49 per 1,000 Gallons

IT IS THEREFORE ORDERED that the Commission's April 3, 1996 Order is modified as follows:

1. In accordance with KRS 278.023, the rates set out in the amended letter of conditions and contained in Appendix A are approved for service rendered on and after the effective date of this Order.
2. Within 30 days from the date of this Order, Peaks Mill shall file revised tariff sheets setting out the rates approved herein.
3. All remaining requirements of the Commission's Order of April 3, 1996 shall remain in full force and effect.

Done at Frankfort, Kentucky, this 28th day of July, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director